



NEWS RELEASE

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VENEMAN PLEDGES COMMITMENT TO INCREASE MINORITY HOMEOWNERSHIP IN RURAL AMERICA

Pledges 10 Percent Increase By 2010

WASHINGTON, Oct. 15, 2002--Agriculture Secretary Ann M. Veneman today announced steps that the U.S. Department of Agriculture is taking to help achieve President Bush's goal of helping 5.5 million minority families attain the dream of homeownership by 2010.

Veneman joined President Bush and Housing and Urban Development Secretary Mel Martinez at the White House Initiative on Minority Homeownership conference to discuss ways in which government and the private sector housing and lending industries can meet the goal.

"Homeownership strengthens our rural communities and contributes to the overall quality of life for rural families," said Veneman. "USDA works with community organizations, lenders and individual residents to provide opportunities to our nation's minority community and the millions who seek the dream of homeownership."

President Bush outlined his housing agenda in June to help dismantle the barriers to homeownership by providing down payment assistance, increasing the supply of affordable homes, increasing support for self-help homeownership programs, and simplifying the home buying process as well as increasing education.

"At USDA, we are proud of our long history in providing housing in rural America," said Veneman. "Over the past 50 years, USDA has invested over \$90 billion to assist over 3 million families with a multitude of housing needs."

Veneman said that USDA is working to double the number of participants in its self-help program by 2010, with a special emphasis on minority ownership. While 50 percent of current participants are minorities, USDA is pledging to increase participation by 10 percent to help meet the President's goal.

In addition, USDA is lowering fees and working to increase the number of minority lenders to reduce the barriers to minority homeownership as well as promoting the availability of credit counseling and homeownership education.

In 2002, over 30 percent of the USDA's single-family direct homeownership loans were provided to the nation's 17 percent rural minority population and 48 percent to female head of

households. Over 50 percent of the families participating in USDA Rural Development's self-help housing program were minority families. And, through partnership and leveraging efforts with private sector lenders and non-profit participants, USDA has expanded by nearly 10% (\$103 million) the level of funding available from other sources to help roughly 1,400 additional families attain homeownership.

USDA Rural Development serves as the lead federal entity for rural development needs and administers financial and technical assistance through three agencies: Rural Housing Service, Rural Business-Cooperative Service and Rural Utilities Service. Further information on USDA Rural Development can be obtained by contacting any USDA Service Center or by visiting USDA's web site at www.usda.gov

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